GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1464
ANSWERED ON:27.11.2007
SETTING UP OF AGRICULTURE EXPORT ZONE
Patil Shri Balasaheb Vikhe

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Agriculture and Processed Food Products Export Development Authority, APEDA, a nodal agency for providing financial assistance for development of Agri Export Zones has totally failed;

(b) if so, the reasons therefor;

(c) whether there is no coordination between the Ministry of Commerce, the Ministry of Agriculture and the Ministry of Finance for establishing more AEZ in the country;

(d) if so, the reasons for the lack of coordination; and

(e) the steps taken/proposed to be taken to strengthen the AEZ programme in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a)&(b) APEDA is not the nodal agency for providing financial assistance for development of the Agri Export Zones (AEZs). The AEZs envisage convergence or coming together of all the ongoing schemes of Central and State Governments including those of APEDA, NHB and other development agencies in the sector to take care of the financial interventions required at various stages of value chain of an agri product. 60 AEZs sanctioned in 20 States have generated an investment of Rs. 1040.86 crore and exports of Rs. 8824.80 crore over the last five years against an envisaged investment of Rs. 1717.95 crore and export of Rs. 11821.47 crore, respectively.

(c) The concerned Central Government Ministries are working in coordination on issues relating to AEZs. A peer evaluation of the performance of the existing Agri Export Zones (AEZs) with a view to ascertain the reasons for shortfall in achievement of targets and suggest remedial action has been carried out. Based on the findings of the Evaluation and in consultation with the stakeholders including the Department of Agriculture & Cooperation and the State Governments it has been decided not to sanction new AEZs till the functioning of the currently sanctioned AEZs is stabilized.

(d) Does not arise.

(e) Based on the findings of Peer Evaluation, constitution of State Level Coordination Committee and Monitoring Committee has been laid down. As part of the ongoing process 4 AEZs have been selected for development of infrastructure with funds from Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE) Scheme of the Department of Commerce. 16 projects entailing investment of Rs. 49 crore are proposed to be funded under the Scheme in these AEZs.